California
Transportation
Commission

2002

STATE TRANSPORTATION IMPROVEMENT PROGRAM

Commission Staff Recommendations

March 13, 2002

2002 STIP STAFF RECOMMENDATIONS
California Transportation Commission

Summary

The 2002 State Transportation Improvement Program (STIP) will add three new programming years, FY 2004-05 through FY 2006-07, more new years than any STIP since 1990. At the same time, the Commission has greater programming flexibility and challenges than it has had at any time since the enactment of SB 45, the 1997 landmark legislation that created the state's current programming process.

The total capacity for adding new project funding in the 2002 STIP is about $3.84 billion. Against this capacity, Caltrans and the state's regional agencies have nominated about $4.221 billion, including $134 million in Advance Project Development Element (APDE) projects. This means that the Commission cannot include all project nominations for the 2002 STIP and, within the criteria and constraints of the process, must make choices about the projects to be included. This excess level of project nominations was invited and encouraged by the Commission in order to assure that projects were available to make full use of the STIP's capacity.

The 2002 STIP Fund Estimate, adopted by the Commission in August 2001, identified the availability of the new capacity by fiscal year, with over 2/3 of the new capacity available only for the STIP's last two years, FY 2005-06 and FY 2006-07. By statute, the amount the Commission programs <u>in each fiscal year</u> may not exceed the amount identified in the Fund Estimate. By comparison, project nominations were heavily front-loaded, with over 60% of new funding proposed for the new STIP's first two years, FY 2003-04 and FY 2004-05. The following table reflects the spread of initial regional transportation improvement program (RTIP) and Caltrans Interregional Transportation Improvement Program (ITIP) proposals against the balances available after STIP amendments through the Commission's February 2002 meeting (dollars in millions).

	FY 03	FY 04	FY 05	FY 06	FY 07	Total
Fund Estimate	4	368	592	945	1,931	3,840
Projects Proposed	1,093	1,290	967	353	286	3,989

In addition, many regional agencies have asked the Commission to leave some capacity unprogrammed and available for STIP amendments to be brought in at a later date. This involves an inevitable tradeoff. The more capacity the Commission leaves for future STIP amendments, the fewer projects can be programmed now and the more current project nominations must be excluded from the STIP.

In summary, the Commission faces three major issues in developing and adopting the 2002 STIP:

(1) Deciding how much capacity to program for the projects now nominated and how much to leave unprogrammed and reserved for future STIP amendments.

(2) Selecting the projects to be programmed now.

(3) Respreading the programmed projects by fiscal year to conform to the Fund Estimate.

These Staff Recommendations lay out a proposed STIP that conforms to the Fund Estimate and identifies about $3.632 billion in total project programming, including $130 million in APDE projects. That leaves $208 million unprogrammed and available for STIP amendments. Staff further recommends that the Commission declare its intent to program this balance fully no later than October 2002. Regional agencies have already identified $185 million in amendments they intend to request prior to the 2004 STIP, and additional amendment will be required to cover cost escalation for projects that are delayed or programmed later than in the year originally proposed.

STIP Programs

Since the enactment of SB 45 (1997), the STIP has consisted of two broad programs, a regional program funded from 75% of new STIP funding and an interregional program funded from 25% of new STIP funding. The 75% program is further subdivided by formula into county shares. County shares are available solely for projects nominated by regions in their regional transportation programs (RTIPs).

The 25% interregional program is nominated by Caltrans in its Interregional Transportation Improvement Program (ITIP). Caltrans and regions may also propose to fund a project jointly, with shares from both the regional and interregional programs.

Share Advances

For the 2002 STIP, regional agencies have had more extensive opportunities than in recent STIPs to propose project using advances against their county shares, thus giving the Commission the flexibility it needs to put all available programming capacity to use. The lack of flexibility for the 1998 and 2000 STIPs meant that large amounts of STIP capacity went unprogrammed. When the 2000 STIP was adopted, over $350 million was left unprogrammed, even though every eligible nominated project was included! At the end of 2001, after another year and a half of STIP amendments, nearly $200 million of that old capacity still remained. All of this was in spite of aggressive measures taken by Caltrans and the Commission to use capacity left unprogrammed by regions to make over $200 million in advances to the interregional program.

The lack of flexibility in earlier STIPs came about because of a provision in SB 45 that restricted county share advances to counties in regions with less than 1 million population. This meant that advances were permitted in counties representing over 80% of the state's population. For smaller counties, advances were limited to a single large project. Many counties chose to leave large portions of their county shares unprogrammed, knowing that SB 45 guaranteed that unprogrammed shares would remain reserved and available for them at any time.

For the 2002 STIP, the Commission is making use of added flexibility made possible by the fact that county shares apply by fixed four-year county share periods, not STIP by STIP. For the 1998 and 2000 STIPs, the final year of the STIP and the final year of the share period were the same (FY 2003-04), leaving the Commission very little programming flexibility. For the

2002 STIP, however, the county share period extends beyond the STIP period. The three years being added by the 2002 STIP are the first three years of a new four-year share period.

In amending its STIP Guidelines for the 2002 STIP, the Commission specified that each region is entitled to its current county share (its proportional share of the statewide capacity for the current STIP). However, each region could also propose up to the limit of its county share for the full four-year period. In effect, this meant that the Commission could now make advances for any county share in the state. This was in addition to the statutory provision that allows advances exceeding the current four-year share for a larger project in counties in regions under one million.

The Commission's expectation was that many counties, as in the past, would propose to leave portions of their current county shares unprogrammed, reserving them for later use. This freed-up capacity could then be used to support share advances elsewhere. The Commission's intention was to make full use of the available capacity.

Project Selection

The Commission's selection of projects for inclusion in the STIP is constrained by several factors. Most projects are proposed by regions in their RTIPs from within their current county shares. By statute, the Commission must include all such RTIP projects in the STIP unless it rejects the RTIP in its entirety. The Commission may reject an RTIP only if its finds that the RTIP is inconsistent with the STIP Guidelines or is not a cost-effective use of state funds.

The Commission does have latitude, however, to include or exclude individual RTIP proposals that are proposed from funding beyond the current county share or projects that would be jointly funded with the ITIP. The same latitude applies to all projects proposed in the ITIP.

In adopting the 2002 STIP Guidelines, the Commission stated its intent, in selecting projects from among those proposed for funding beyond the current county share, to consider regional agency priorities and the extent to which each RTIP includes projects that:

- implement a cost-effective RTIP,
- complete or fund further components of projects included in the prior STIP,
- implement the Traffic Congestion Relief Program,
- level Federal discretionary funds, and
- provide regional funding for interregional partnership projects.

Respreading by Fiscal Year

Adjusting the fiscal year spread of projects has been a major challenge in developing the 2002 STIP. As noted above, most RTIP and ITIP proposals were for the new STIP's early years, while most of the new capacity was in the outer years. This represents a return to what was once the norm, but had not been seen since prior to SB 45. The normative pattern was that new programming capacity was available primarily in the year(s) being added to the STIP.

During each of the three STIP cycles since SB 45, new capacity had available in relatively large amounts in the first year or two of the STIP, each time due to unusual circumstances surrounding that particular STIP cycle and involving previously unanticipated resources. (For a more detailed discussion, see the Commission's 2001 Annual Report to the Legislature, Volume I, Chapter B, 2002 State Transportation Improvement Program Outlook.)

When the extent of front-loading in the new RTIPs and ITIP had become apparent, the Commission called a special STIP workshop for February 7, 2002, to review the situation with Caltrans and the regional agencies. At that time, neither the ITIP nor most of the RTIPs had identified schedule delays for projects already programmed, which could have an effect on the availability of capacity for new projects in the earlier years. The Department and the regions were therefore asked to identify, by February 25, both any delays in currently programmed projects and their recommendations for priorities in respreading projects across the fiscal years. At the same time, the Commission identified several principles for rescheduling. Among these were that

- prior projects would remain as scheduled (except for delivery delays unrelated to funding),
- cost increases for prior projects would be programmed in the year of delivery,
- project programming, planning, and monitoring would be programmed as proposed,
- ridesharing programs would be programmed in the year(s) proposed.
- RSTP/CMAQ/TEA match reserves would be programmed in the year(s) proposed
- Regions making recommendations would not be disadvantaged, as compared with those that made no recommendation.

RECOMMENDED ACTIONS

The Commission staff recommendation for adoption of the 2002 STIP is in five parts:

(1) **Delays of 2000 STIP Projects.** The staff recommends approval for programming of the delays in projects from the 2000 STIP, as identified in the Appendix to the Staff Recommendations.

(2) **RTIP Approvals for Current County Shares.** The staff recommends approval of each RTIP, subject to specific conditions for certain counties, as outlined below. This applies to approval of projects identified in the RTIPs as programmed from the current county share and includes joint RTIP/ITIP projects where those projects are included in the Staff Recommendation for the Interregional Program. It does not include projects identified for funding from an advance of future county share, except as specifically identified. The Staff Recommendation for the Regional Program, by county, is summarized in the county tables in the Appendix.

(3) **County Share Advances.** The staff recommends the programming of 15 projects identified the RTIPs of 9 counties, as identified below and included in the county tables in the Appendix.

(4) **Interregional Program.** The staff recommends the programming of $776.3 million in projects nominated by Caltrans in its ITIP. This would require an advance of $108.0 million for the interregional share. These projects are listed in the interregional program table in the Appendix.

(5) **Respreading of Projects.** The county and interregional program tables in the Appendix incorporate the Staff Recommendation's programming spread across fiscal years for each project and each county and interregional share.

Delays in 2000 STIP Projects

The delays in projects from the 2000 STIP that were identified by Caltrans and regions following the February 7 workshop exceeded all expectations, with a net of about $870 million delayed out from FY 2002-03 and FY 2003-04 to later years, thus freeing up significant early year capacity for the new projects being added in the 2002 STIP. These were all delays that had not been identified by either Caltrans or the regions in the RTIP and ITIP proposals they had submitted less than 2 months earlier, in December.

Although these delays more than tripled the early year capacity available for the new STIP, 60% of the new STIP's capacity still remained in the three outer years and nearly one-half remained in the last year FY 2006-07.

	FY 03	FY 04	FY 05	FY 06	FY 07	Total
Capacity before delays	4	368	592	945	1,931	3,840
2000 STIP delays	-480	-399	296	433	150	0
Capacity after delays	484	767	296	512	1,781	3,840

A complete listing of the projects delays is included in the Appendix to these Staff Recommendations.

Approval of RTIPs

By law, the Commission must program all RTIP projects nominated for funding from the current county share unless the Commission takes action to reject the RTIP in its entirety. The Commission may reject an RTIP only if it finds that the RTIP is not consistent with the STIP Guidelines or that the RTIP is not a cost-effective expenditure of State funds. The law further provides that the Commission may not reject an RTIP unless it provides notice to the regional agency not later than 60 days after it receives the RTIP outlining the factual basis for such an action.

The required notice of project issues was provided to 14 regional agencies on February 13, 2002, with responses requested by March 4. The notices identified specific issues and, where appropriate, suggested means for resolving the issues. Most of the issues concerned the lack of an approved project study report (PSR) or the failure of the RTIP to identify specific locations for proposed local road rehabilitation projects. At the time of writing these Staff Recommendations, outstanding issues remained for 5 of these counties, most concerning the lack of an approved PSR. The issues may be resolved either by notice of approval of the PSRs or by withdrawal of the projects.

- **San Bernardino.** No approved PSR for the Barstow Route 15 interchange at Old Highway 58. San Bernardino Associated Governments reports that Caltrans District 8 has confirmed that approval of the PSR is on schedule to occur by the end of March, following its submittal on February 1, 2002.
- **San Joaquin.** No approved PSR for the Lodi Stockton Street rehabilitation project or for any of the local road projects for San Joaquin County, Escalon, Lathrop, Stockton, or Ripon. Staff has received no response on this issue from the San Joaquin Council of Governments.
- **Shasta.** No project locations identified for the City of Redding slurry seal and street rehabilitation project.
- **Tahoe.** No approved PSR for the Fanny Bridge project. The Tahoe Regional Planning Agency reports that it has forwarded the PSR to Caltrans and that approval is expected by March 8, 2002. Approval had not yet been confirmed.
- **Ventura.** No approved PSR for any of 5 soundwall projects. The Ventura County Transportation Commission reports that Caltrans will complete the PSRs prior to April 3.

In addition to the above, the RTIPs for Lassen and Ventura counties proposed more than the current county share (that is, requested an advance of future share) without specifying which projects would be funded from their entitlement, the current county share.

- **Lassen.** The RTIP identifies $11.387 million for programming from the current county share while the current share is only $10.961 million (both figures excluding $0.773 million for an APDE project). The RTIP also requests an additional $6.794 million for other projects from an advance of future share. Staff does not recommend approval of an advance of share for Lassen County and recommends that the Lassen County RTIP not be incorporated into the STIP until the Lassen County Transportation Commission has resubmitted its RTIP, with projects limited to Lassen's current county share of $10.961 million.

- **Ventura.** The RTIP identifies $45.609 million for programming from the current county share while the current share is only $43.383 million (both figures excluding $4.660 million for an APDE project). In addition, the RTIP requests $30.832 million as an advance of future share for the Route 101 improvement project between the Los Angeles County Line and Route 23. Staff is recommending approval of an advance of future share for Ventura County that could cover the $2.226 million current share overage as well as the Route 101 project. The Commission may wish, however, to ask the Ventura County Transportation Commission to identify the projects would be programmed from the current county share, and the Commission could choose not to approve an advance for projects not included within that entitlement. See the Ventura county sheet in the Appendix for a listing of all of Ventura's proposed projects.

Orange County presents a special case in that the Orange County Transportation Authority (OCTA) did not submit an RTIP until February 11, and so the Commission's 60-day period for responding to the RTIP does not end before STIP adoption. Staff recommends that the projects proposed by OCTA be incorporated into the STIP, with two exceptions, as identified in the county sheet for Orange in the Appendix.

- CenterLine light rail project. The OCTA requested programming of $60.407 million, including $25.725 million for design and $34.682 million for right-of-way. Commission staff recommends that the right-of-way not be programmed because full funding for project right-of-way depends on future Federal grants, which are not assured.
- Route 405 auxiliary lane, Magnolia to Beach. The OCTA requested programming of $27.246 million for this project, though a PSR has not yet been approved. Commission staff recommends that this project be included only if there is confirmation of PSR approval prior to STIP adoption.

Staff will report on the current status of all these issues at the April 3-4 meeting.

County Share Advances

Staff recommends the approval of advances against future share to program projects in 9 counties:

- **El Dorado.** Full programming of the Route 50 Missouri Flat Road interchange for $17.620 million. This requires an advance of $8.267 million, including $1.692 million for APDE projects.
- **Fresno.** Programming of $38.9 million for construction of Route 180 between Temperance and Academy, plus $1.122 million for planning, programming, and monitoring and $3.320 million for a CMAQ match reserve. This requires an advance of $60.133 million.
- **Nevada.** Programming of $8.375 million to match ITIP programming for design and right-of-way to widen Route 49 between Wolf/Combie Road and Grass Valley. This requires an advance of $8.854 million, including $0.500 million for an APDE project.

- **Placer.** Programming of $78.205 million to match ITIP programming for construction of the Route 65 Lincoln Bypass. This requires an advance of $75.899 million, including $4.700 million for an APDE project.
- **Riverside.** Programming of $1.323 million for a Route 79 project, Newport Road to Domenigoni. This does not actually require an advance of share, though the RTIP identified the project as proposed for an advance of share. Inclusion of this project in the STIP does not guarantee approval of a future advance for Riverside.
- **San Bernardino.** Programming of $90.177 million for the Route 210 freeway, $128.814 million for Route 215 HOV lanes, Route 10 to Route 30, $2.190 million for the Victorville Route 15 La Mesa/Nisqualli interchange, and $2.750 million for the Barstow Route 15 Old Highway 58 interchange. This requires a total advance of $45.688 million.
- **San Diego.** Programming of $51 million for the Route 15 managed lanes, middle segment (a joint ITIP/RTIP project, for which GARVEE bond debt service is programmed) and $132 million for the Route 52 freeway, Cuyamaca Street to Route 67. Together, these projects require a total advance of $62.312 million.
- **Sutter.** Programming of $3.670 million for design and right-of-way on the Route 99 4-lane project, Garden Highway to Sacramento Avenue. This requires a share advance of $1.956 million, including $1.000 million for an APDE project.
- **Ventura.** Programming of $30.832 million for Route 101 improvements, Los Angeles County Line to Route 23, plus unidentified additional programming requiring a total advance of $37.698 million, including $4.660 million for an APDE project.

The recommendation of projects for programming beyond the current county share is based not so much on the needs or merits of the particular projects identified as on the content and effectiveness of the RTIPs as a whole. As noted above, the Commission has stated its intent to consider regional agency priorities and the extent to which each RTIP includes projects that implement a cost-effective RTIP, complete or fund further components of projects included in the prior STIP, implement the Traffic Congestion Relief Program, level Federal discretionary funds, and provide regional funding for interregional partnership projects. As a starting point, the staff analyzed the content of the RTIPs and identified the proportion of local focus projects, that is projects focused on meeting localized rather than regional needs. Generally, these were local road and bus projects, as opposed to State highway and rail projects. For the counties proposing an advance of future share, the analysis indicated the following:

ANALYSIS OF RTIPS REQUESTING ADVANCE OF FUTURE SHARE
(Dollars in millions)

	Current Share	Local Focus Projects	Percentage
El Dorado	$ 16	$ 0	0%
Fresno	-17	0	0%
Nevada	17	0	0%
Placer	11	0	0%
San Bernardino	214	0	0%
Sutter	12	0	0%
San Diego	250	8	3%
Ventura	43	6	15%
San Francisco	51	8	16%
Riverside	156	33	21%
Alameda	102	25	25%
Los Angeles	657	181	28%
Tahoe	12	5	40%
San Joaquin	70	29	41%
Shasta	30	15	49%
Sacramento	82	48	59%
Siskiyou	14	11	83%
Lassen	11	10	91%
Kings	20	20	99%

While this was a primary factor in developing the Staff Recommendation, other factors were considered, including the size of the overall advance required in relationship to the county's regular formula share and various project-related issues. Additional requests from Fresno, Nevada, and Placer were not included. Fresno proposed additional segments of Route 180; the one selected is Fresno highest priority. Nevada proposed construction funding for the Route 49 joint ITIP/RTIP project; this was not included because Caltrans did not include construction in the ITIP and the RTIP did not define a fully funded project. Placer proposed 3 additional projects which would have extended the advance beyond the statutory limit on the size of an advance (200% of the four-year county share). One, a Route 80 HOV project, was identified as a joint RTIP/ITIP project that would cost $105 million to complete. With approval of the Lincoln Bypass, the county share would not have the capacity to support this project for many years. San Francisco proposed $10 million for Caltrain electrification as part of the joint ITIP/RTIP project. However, the project was not included in the ITIP and thus would not be fully funded.

Interregional Program

The Staff Recommendation for the STIP interregional program includes $819.8 million in new project programming. This is $151.5 million more than the interregional program share of $668.3 million and $88.6 million less than the $908.4 million Caltrans included in the ITIP. The Interregional Program chart in the Appendix includes both a listing of the projects that are included in the Staff Recommendation and a listing of the nominated projects that are not included.

The nominated projects that are not a part of the Staff Recommendation include:

- 2 joint RTIP/ITIP projects in Placer County. The Staff Recommendation provides an advance of county share for the Lincoln Bypass, and including these additional projects would exceed the statutory maximum for county share advances.
- 4 joint RTIP/ITIP projects for which the RTIP portion is identified as requiring an advance of future share (2 projects on Route 299 in Shasta County, one on Route 36 in Lassen County, and the Oakland Airport connector guideway in Alameda County).
- 4 traffic operations system projects and a traffic management system project in the Sacramento area and Los Angeles and San Bernardino. These projects appear more appropriate for RTIP or SHOPP programming.
- One urban interchange project in Los Angeles, for which there is no RTIP support.
- 2 projects on local arterials in the area of Route 710 gap closure in Pasadena and Los Angeles. Local road projects are not eligible for the interregional program. Furthermore, there has been no RTIP support for any aspect of the development of Route 710 in this area.
- Parking management and car sharing projects, nominated for statewide implementation. These projects appear to be inconsistent with the statutory mandate for the interregional program and the interregional program objectives outlined in the Commission's STIP Guidelines.

<u>Compliance with Statutory Mandates, Interregional Program</u>

The 25% interregional program is not constrained by county shares. By law, however, the program must comply with the following constraints:

- 60% of the program shall be programmed for improvements to State highways that are specified in statute as part of the interregional road system and are <u>outside urbanized areas</u> with over 50,000 population, <u>and</u> for intercity rail improvements.
    - Of this amount, at least 15% (9% of the interregional program) shall be programmed for intercity rail improvements, including grade separation projects.
- 40% of the program may be programmed to transportation improvement projects to facilitate interregional movement of people and goods, including State highway, intercity passenger rail, mass transit guideway, or grade separation projects. These projects may be in <u>either urbanized or nonurbanized areas</u>.
    - Of this amount, 60% (24% of the program) must be in the 13 counties of the South.
    - Of this amount, 40% (16% of the program) must be in the North counties.

The statutory restrictions may be reduced to three simple constraints:

- <u>At least 9%</u> of the program must be programmed for <u>intercity rail</u> and grade separation projects.

- No more than 24% of the program may be for projects in South urbanized areas or for other South area projects not part of the interregional road system.
- No more than 16% of the program may be for projects in North urbanized areas or for other North area projects not part of the interregional road system.

The following table summarizes the ITIP projects included in the Staff Recommendation according to these categories. For purposes of the table, “Intercity rail” includes grade separation projects, “Nonurbanized” refers only to projects on the interregional road system, and “North urbanized” and “South urbanized” also include North and South nonurbanized projects off the interregional road system and exclude intercity and grade separation projects.

INTERREGIONAL PROGRAM BY STATUTORY CATEGORY
($1,000’s)

	Program Total	Pct	Test
Intercity rail	94,355	11.5%	9% minimum
North urbanized	72,360	8.8%	16% maximum
South urbanized	130,122	15.9%	24% maximum
Nonurbanized	522,977	63.8%	
Total	819,814	100.0%	

Respreading Projects Across Fiscal Years

The Staff Recommendation includes the respreading of projects by fiscal year, for both the regional and interregional programs. The spread for each project and for each county and interregional share is identified in the individual county charts and the interregional program chart in the Appendix.

For the purpose of conformity to the Fund Estimate, Staff has separately identified Advance Project Development Element (APDE) projects. Under statute, the programming of APDE projects is not limited by either the current county share or the overall statewide Fund Estimate, although the projects do count against the county or interregional share. In effect, any county may program more than its current share to the extent that it programs APDE projects, and the Commission may program more than the amount in the statewide Fund Estimate to the extent that it programs APDE projects. The programming of APDE projects is limited only by fixed county and interregional APDE shares identified separately in the Fund Estimate. An APDE share not used for one county may not be used to augment programming in another county.

The Staff Recommendation conforms to the Fund Estimate in that, excluding APDE projects, it does not exceed the cumulative amounts available by fiscal year. When APDE projects are added, the programming exceeds the Fund Estimate in the earlier years, as permitted by statute. It is important to note that, while the Commission is permitted to exclude APDE projects for this purpose, APDE projects are nevertheless funded in the same manner as other projects and will constitute a real draw against cash balances.

The following table illustrates the Staff Recommendation's statewide spread of projects by fiscal year, compared with available capacity under the Fund Estimate, after adjustment for the identified delays in projects from the 2000 STIP (dollars in millions).

STAFF RECOMMENDATION
STATEWIDE PROGRAMMING VS CAPACITY
($ millions)

	FY 03	FY 04	FY 05	FY 06	FY 07	Total
Capacity by fiscal year, after delays	484	767	296	512	1,781	3,840
Cumulative capacity	484	1,251	1,547	2,059	3,840	
Percentage by fiscal year	13%	20%	7%	14%	46%	100%
Cumulative percentage	13%	33%	40%	54%	100%	
Staff Recommendation, without APDE	374	776	397	510	1,441	3,498
Cumulative	374	1,150	1,547	2,057	3,498	
Staff Recommendation, with APDE	472	802	404	513	1,441	3,632
Cumulative	472	1,274	1,678	2,191	3,632	

The respreading of projects took into consideration the project delivery year(s) identified by Caltrans and the regions, the priority recommendations received from Caltrans and the regions, and the intent to respread equitably across regions, giving care especially not to disadvantage those regions that gave the Commission their recommendations. The unexpectedly high level of delays in projects from the 2000 STIP permitted the early programming of more projects than originally anticipated, though the majority were still respread to outer years. Staff's intent was to keep project delivery moving, that is unconstrained by the respreading, as much as possible within the overall constraints.

The key choke point in the respreading turns out to be FY 2004-05. As the table above indicates, there remains some underutilized capacity for FY 2002-03 and FY 2003-04. However, the 3-year period through FY 2004-05 is fully programmed, and the 4-year period through FY 2005-06 is nearly so. This means that there is some capacity to move projects now scheduled for FY 2004-05 into one of the earlier years. However, any movement of projects from the 2 outer years into any of the first 3 years would require a compensating move of projects from the first 3 years into the 2 outer years.

Reservation for Future STIP Amendments

The Staff Recommendation would leave $208 million in Fund Estimate capacity unprogrammed and available for future STIP amendments.

In their RTIPs, regional agencies have identified about $185 million in specific projects for which they request that the Commission permit STIP amendments prior to the 2004 STIP. The largest requests are from Tulare, $73.8 million; Riverside, $38.4 million; Stanislaus,

$36.4 million; Kern, $9.3 million; Lake, $8.1 million; Madera, $6.1 million; Tehama, $4.4 million; Humboldt, $3.0 million; and Colusa, $2.9 million.

In addition, there will no doubt be inflationary cost increases for prior STIP projects that are being delayed and for new projects that are to be programmed in a later year than originally proposed. When regions were asked in February to advise the Commission on their recommendations for respreading projects, they were asked not to include additional funding for inflation since we did not yet know which projects would be respread and by how much. The magnitude of any inflationary increase is difficult to estimate, since many projects will not be delayed, some cost increases will be funded from other sources, and some projects may be deleted or replaced with others by STIP amendment. Any cost increases must be accommodated within current county and interregional shares. Applying the adopted Fund Estimate escalation rate of 2.7% to all delayed and rescheduled programming would yield something in the range of $150 to $200 million in additional costs. The actual amount needed could be less than half that.

Staff recommends that the Commission ask Caltrans and the regions to include any cost increases due to project delays or rescheduling as part of proposed technical changes and corrections to the STIP to be presented in June and adopted in July. Staff further recommends that the Commission declare its intent to program the remaining balance fully by October 2002 and to ask Caltrans and the regional agencies to present any proposed STIP amendments for additional projects by that time.

APPENDIX TO STAFF RECOMMENDATIONS
SUMMARY TABLES

The tables on the following pages are included with these recommendations for information and reference. They include:

1. **Summary of Staff Recommendations (3 pages).** These 3 pages provide an overall summary of the Staff Recommendation for each county share and the interregional program. The first page is a summary of county and interregional share balances, the second is a for each share by fiscal year, and the third is a summary for each share by project type.

2. **Summary of 2000 STIP Project Delays Not Included in 2002 RTIPs or ITIP (3 pages).** This table lists each individual project delay identified by either Caltrans or a region. The column at the left identifies whether the project funding delayed is part of the county share (RIP) or interregional share (IIP). The delays include some funding that is grandfathered from the pre-SB 45 1996 STIP. For these grandfathered projects, only capital outlay costs are shown.

3. **2002 Staff Recommendations – Interregional Program Projects (3 pages).** This table includes a list of all interregional program projects proposed in the Caltrans. The first part of the table lists the projects included in the Staff Recommendation. At the end of the table is a listing of the nominated projects that are not included.

4. **2002 Staff Recommendations – Regional Program Projects (66 pages).** This set of county sheets summarizes the Staff Recommendation for each county share, including a summary of the shares made available through the Fund Estimate, a listing of each project included in the Staff Recommendation (including APDE projects and projects requiring an advance of future county share), and the share balance remaining or advance required if the Staff Recommendation is adopted. Notes at the bottom of each sheet provide additional information, including information regarding any nominated projects that are not included in the Staff Recommendation.